(c) if not, the reasons thereof; and

(d) if foreign investors are granted permission in terms of (b) above, the impact it will have on achieving Government objective of attracting US $ 10 billion in foreign direct investment annually?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir. The foreign investors are required to seek Govt.'s approval for subsequent/downstream investment. It may not be appropriate to permit the holding companies to make the downstream investment without prior permission as the Government must know the details of the activities to be undertaken by the Holding companies.

Further approval by merely providing investment details may not be in consonance with the sector specific policies for foreign direct investment in different sectors.

(d) The meetings of the Foreign Investment Promotion Board (FIPB) are held every week and investment proposals are considered in a compressed time schedule to minimise delays.

Factors for granting approval for setting up a holding company

1298. SHRI V. NARAYANASAMY: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government while granting approval for setting upholding company requires the foreign investor concerned to reapproach Government for investment in each downstream subsidiary;

(b) what individual factors does Government take into account while granting approval for setting up a holding company which will set up downstream subsidiaries to invest in specified approved activities; and

(c) what individual factors does Government take into account while granting subsequent approval for operationalising the downstream subsidiary?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir. The foreign investors are required to seek Govt's approval for subsequent/downstream investment. It may not be appropriate to permit the holding companies to make the downstream investment without prior permission as the Government must know the details of the activities to be undertaken by the Holding companies.

Further, approval by merely providing investment details may not be in consonance with the sector specific policies for foreign direct investment in different sectors.

Plan to encourage machine tool industry

1299. PROF. RAM KAPSE: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government propose to prepare and implement a growth plan for encouraging machine tool industry;

(b) if so, the details thereof;

(c) whether Government have made any status paper on the conditions of machine tool industry; and

(d) if so, how does Indian machine tool industry compare with those in Taiwan and South Korea?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Under the New Industrial Policy, investment decisions are taken by the entrepreneurs on the basis of their own commercial perceptions.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

Profits and losses by PSUs

1300. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of INDUSTRY be pleased to state the amount of net profits or losses made by